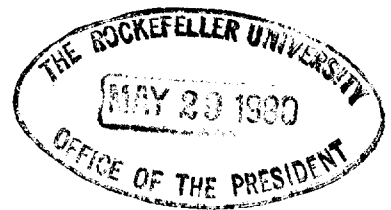




THE ROCKEFELLER UNIVERSITY

1230 YORK AVENUE · NEW YORK, NEW YORK 10021

May 27, 1980



CONFIDENTIAL

MEMORANDUM

To: ✓ Rodney W. Nichols

Subject: Commentary on Whitehead Institute Proposal

Following is the response you requested to your May 22 Memorandum for the Record about the Whitehead Institute. I studied the file, but have no other background except for your May 22 memo, so the following comments have both the advantage and disadvantage of a fresh view.

Does it make economic sense to establish a new freestanding research institution so small as to have an annual operating budget of only \$5 million? This implies an operation about a tenth the size of our own, but having within its annual budget the attendant administration and overhead that might better be provided by one of the three existing institutions. I am sure you have already considered this question. It seems to me to be important enough to warrant detailed financial analyses to see just how much might be gained by establishing the Whitehead Institute as a division of one of the three existing neighborhood institutions rather than a fourth freestanding one. I should think this question would be valid regardless of whether, over a 20- to 30-year period, the buildings and/or endowment might revert to our control.

A related question is whether by establishing the Institute as an addition and subordinate to The Rockefeller University the result might make a sufficiently qualitative difference as to sacrifice some of the advantage we now have through our small size. My own judgment is that a 10% increase in size is not a problem, but much beyond that would probably not be desirable.

Another related question has to do with the difficulty of obtaining the first-rate people to mount such a significant expansion in research in molecular and cellular biology. I assume the necessary people can be recruited. The problem is to allow sufficient lead time for that to take place.

Under the assumption that the Institute is established as a complete entity -- either freestanding or subsumed within The Rockefeller University and in accordance with the thinking in your memo, then I do not see that it affects our development program in any way. We would still need to obtain the same added private contributions between now and 1987 so this would

affect neither our goals nor our achievement. Alternatively, we could count this as gift income if it suited our purposes, but then raise our goal by the same amount.

On a more mundane level, I should think that any construction at 68th and York ought to include a parking garage, not only to replace the present lot but to provide added capacity for us and for New York Hospital. ✓

FGC

Fred G. Lehmann